

First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## HOUSE ENROLLED ACT No. 1542

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AN ACT to amend the Indiana Code concerning alcohol and tobacco.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 7.1-1-3-13.5, AS AMENDED BY P.L.40-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 13.5. "Conviction for operating while intoxicated" means a conviction (as defined in IC 9-13-2-38):

(1) in Indiana for

(A) ~~an alcohol related or drug related crime under Acts 1939, c.48, s.52; as amended, IC 9-4-1-54 (repealed September 1, 1983); IC 9-11-2 (repealed July 1, 1991); or IC 14-1-5 (repealed July 1, 1995); or~~

(B) a crime under IC 9-30-5-1 through IC 9-30-5-9, ~~IC 35-46-9, IC 35-46-9-6,~~ or IC 14-15-8 (before its repeal); or

(2) in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a crime described in IC 9-30-5-1 through IC 9-30-5-9, IC 35-46-9-6, or IC 14-15-8-8 (before its repeal).

SECTION 2. IC 7.1-2-3-20 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 20. ~~The commission shall have the power to prohibit or regulate, by rule or regulation, the sale of alcoholic beverages within~~

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this state when the sale is being carried on in violation of IC 24-3-1 (repeated):

SECTION 3. IC 7.1-3-1-3, AS AMENDED BY P.L.224-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) A permit of any type issued by the commission, except as provided in subsections (b) and (f) or unless otherwise provided in this title, shall be in force for one (1) calendar year only, including the day upon which it is granted. At the end of the one (1) year period the permit shall be fully expired and null and void.

(b) Notwithstanding subsection (a), a permit that is subject to section 5.5 or 5.6 of this chapter is effective for two (2) calendar years, including the day upon which the permit is granted. However, a local board may recommend to the commission that the permit be issued or renewed for only a one (1) year period. The commission may issue or renew a permit for the period recommended by the local board.

(c) A permittee who is granted a two (2) year permit under subsection (b) or subsection (f) is liable for any annual fees assessed by the commission. The annual fee is due on the annual anniversary date upon which the permit was granted.

(d) If the commission grants a two (2) year permit, the commission may ask a local board to hold a hearing to reconsider the duration of a permittee's permit. A hearing held under this subsection is subject to section 5.5 or 5.6 of this chapter. A local board shall hold the hearing requested by the commission within thirty (30) days before the permittee's next annual anniversary date and forward a recommendation to the commission following the hearing.

(e) If a permittee is granted a permit for more than one (1) year, the commission shall require the permittee to file annually with the commission the information required for an annual permit renewal.

(f) Notwithstanding subsection (a), the following are effective for two (2) calendar years, including the day upon which the permit is granted:

- (1) A beer wholesaler's permit issued under IC 7.1-3-3-1.
- (2) A wine wholesaler's permit issued under IC 7.1-3-13-1.
- (3) A liquor wholesaler's permit issued under IC 7.1-3-8-1.

**(g) Except as provided in subsection (h), the commission shall timely process a permittee's application for renewal of a permit unless the permittee receives a notice of a violation from the office of the prosecutor created under IC 7.1-2-2-1.**

**(h) The commission may timely process an application for renewal of a permit filed by a permittee that receives notice of a violation as described in subsection (g) if the chairman or the**



chairman's designee authorizes the application for renewal of the permit to be timely processed.

(i) Except as provided in subsection (k), a permittee may file an application for renewal of a permit not later than one (1) year after the date the permit expires.

(j) Except as provided in subsection (k), if a permittee does not file an application for renewal of a permit within one (1) year as provided in subsection (i), the permit reverts to the commission. At least thirty (30) days before the date that a permit reverts to the commission, the commission shall provide written notice to the permittee informing the permittee of the date that the permittee's permit will revert to the commission.

(k) Subject to subsection (l), a permittee may file an application for renewal of a permit more than one (1) year after the date the permit expires if, not later than one (1) year after the date the permit expires, the permittee obtains approval from the chairman or the chairman's designee for an extension to file the application for renewal.

(l) The chairman may allow the permittee to renew the permit more than one (1) year after the date the permit expires only if the permittee provides evidence that the permittee is engaged in an administrative or court proceeding that prevents the permittee from renewing the permit.

(m) A permit is effective upon the final approval of the commission. Upon final approval of a permit, and upon the request of the permittee, the commission shall provide the permittee with a letter of authority to operate. The letter of authority to operate constitutes authorization for the permittee to perform the actions allowed under the permit until the date the permittee receives the permit issued by the commission.

SECTION 4. IC 7.1-3-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. ~~Applications for Permits. Disclosures.~~ (a) Except as provided in subsection (b), an application for a permit to sell alcoholic beverages of any kind, and the required publication of notice, shall disclose the name of the applicant and the specific address where the alcoholic beverages are to be sold, and any assumed business name under which the business will be conducted. The application and notice also shall disclose the names and addresses of the president and secretary of the corporation, club, association or organization who will be responsible to the public for the sale of the alcoholic beverage if the applicant is a corporation, club, association, or other type of organization.



(b) An application for a permit may be processed by the commission while the location of the permit premises is pending, upon a showing of need by the permit applicant. Any permit issued by the commission while the location of the permit premises is pending shall be placed immediately into escrow upon approval of the permit by the commission. If a permit issued by the commission is placed into escrow under this subsection, the applicant must go before the local board for approval of the applicant. Before making a permit in escrow active, the permittee must go before the local board for approval of the location.

SECTION 5. IC 7.1-3-1-18, AS AMENDED BY P.L.224-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. (a) ~~Whenever, under the provisions of this title,~~ **Except as provided in subsections (d) and (e),** if publication of notice of application for a permit is required **under this title**, the publication shall be made in one (1) newspaper of general circulation published in the county where the permit is to be in effect.

(b) Publication required ~~by this section~~ **under subsection (a)** may be made in any newspaper of general circulation published one (1) or more times each week.

(c) The rates which shall be paid for the advertising of a notice required under this title shall be those required to be paid in case of other notices published for or on behalf of the state.

**(d) The commission may publish notice of application for a:**

**(1) three-way permit for a restaurant described in IC 7.1-3-20-12(4); or**

**(2) seasonal permit granted under IC 7.1-3-20-22;**

**by posting the notice on the commission's Internet web site.**

**(e) If:**

**(1) the commission is unable to procure advertising of a notice as required under subsection (a) at the rates set forth in IC 5-3-1; or**

**(2) the newspaper published in the county as described in subsection (a) refuses to publish the notice;**

**the commission may, instead of publication in a newspaper as required under subsection (a), require the designated member of the local board of the county to post printed notices in three (3) prominent locations in the county.**

SECTION 6. IC 7.1-3-1-29 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) For purposes of this section, "health facility" does not include an intermediate care facility for the



mentally retarded.

(b) As used in this section, "senior residence facility" means a:

- (1) health facility licensed under IC 16-28; or
- (2) housing with services establishment (as defined in IC 12-10-15-3).

(c) For purposes of this section, "senior residence facility campus" means a senior residence facility and the property on which a senior residence facility is located.

(d) A senior residence facility may, without a permit issued under this title, possess and give or furnish an alcoholic beverage, by the bottle or by the glass, on the premises of the senior residence facility campus for consumption on the premises to any of the following:

(1) A resident who:

- (A) is not a minor; and
- (B) resides on the premises of the senior residence facility.

(2) A guest or family member of a resident described in subdivision (1) who:

- (A) is not a minor; and
- (B) is visiting the resident at the senior residence facility.

(e) Subject to subsection (f), this section may not be construed to authorize a senior residence facility to sell alcoholic beverages on the premises of the senior residence facility campus without a permit under this title.

(f) For purposes of this section, a senior residence facility that:

(1) charges a:

- (A) room and board fee to residents of the senior residence facility; or
- (B) fee for organizing activities for:
  - (i) residents of the senior residence facility; and
  - (ii) guests or family members of the residents;

(2) uses a portion of a fee described in subdivision (1) to:

- (A) purchase alcoholic beverages; and
- (B) furnish the alcoholic beverages to individuals described in subsection (d); and

(3) does not purchase and furnish the alcoholic beverages for profit;

is not considered to be selling alcoholic beverages.

SECTION 7. IC 7.1-3-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) Subject to sections 3.5 and 3.6 of this chapter, the commission may issue a temporary beer permit without publication of notice or investigation



before a local board to a qualified person as provided in this chapter. In all other respects, a temporary beer permit shall be issued, revoked, and governed by the restrictions and limitations made in a provisional order or rule or regulation of the commission.

**(b) The commission shall issue a temporary beer permit to an applicant if:**

- (1) the applicant submits an application for a temporary beer permit to the commission not later than five (5) business days before the event for which the permit is requested; and**
- (2) the applicant meets all requirements for a temporary beer permit.**

**(c) If authorized by the chairman or the chairman's designee, and at the commission's discretion, a temporary beer permit may be issued to an applicant that:**

- (1) submits an application for the temporary beer permit to the commission later than five (5) business days before the event for which the temporary beer permit is requested; and**
- (2) meets all requirements for a temporary beer permit.**

SECTION 8. IC 7.1-3-9.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The holder of a supplemental caterer's permit shall notify the commission in writing ~~fifteen (15) days~~ **not later than forty-eight (48) hours** in advance of each function that the permittee intends to cater with alcoholic beverages. The commission may waive the ~~fifteen (15) day~~ **forty-eight (48) hour** notice period required under this subsection, **if authorized by the chairman or the chairman's designee**, but may not waive the requirement for filing notice.

**(b) The notice shall include the following:**

- (1) The date, time, and location of the function to be catered.**
- (2) If the function is open to the public, located in a county having a population of less than one hundred fifty thousand (150,000), and located in a different county from the county where the permittee holds the three-way permit required under section 1 of this chapter, the signature of the following official on a document stating the official's approval of the catering of alcoholic beverages at the proposed date, time, and location:**
  - (A) The president of the town council, if the location is in a town.**
  - (B) The mayor, if the location is in a city.**
  - (C) The president of the board of county commissioners, if the location is in unincorporated territory.**

**(c) If a permittee complies with all notice requirements of**



subsection (b), the commission in its absolute discretion has the authority, any other provision of this title to the contrary notwithstanding, to approve the proposed date and location of the function to be catered.

(d) The commission need not notify the permittee if the commission approved the proposed date and location, and the permittee may proceed as stated in the permittee's notice to the commission. The commission shall notify the permittee by certified United States mail, in advance of the function, if the commission does not approve the proposed date or location.

(e) A permittee whose proposed date or location has been disapproved by the commission still may cater the function on that date and at that location, but the permittee may not cater alcoholic beverages at that function on that date and at that location.

SECTION 9. IC 7.1-3-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. **(a)** Subject to section 5.5 of this chapter, the commission may issue a temporary wine permit without publication of notice or investigation before a local board to a qualified person as provided in this chapter. In all other respects, a temporary wine permit shall be issued, revoked, and governed by the restrictions and limitations made in a provisional order or rule or regulation of the commission.

**(b) The commission shall issue a temporary wine permit to an applicant if:**

- (1) the applicant submits an application for a temporary wine permit to the commission not later than five (5) business days before the event for which the permit is requested; and**
- (2) the applicant meets all requirements for a temporary wine permit.**

**(c) If authorized by the chairman or the chairman's designee, and at the commission's discretion, a temporary wine permit may be issued to an applicant that:**

- (1) submits an application for the temporary wine permit to the commission later than five (5) business days before the event for which the temporary wine permit is requested; and**
- (2) meets all requirements for a temporary wine permit.**

SECTION 10. IC 7.1-3-18-9, AS AMENDED BY P.L.165-2006, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 9. **(a)** The commission may issue an employee's permit to a person who desires to act as:

- (1) a clerk in a package liquor store;**
- (2) an employee who serves wine at a farm winery; or**



(3) a bartender, waiter, waitress, or manager in a retail establishment, excepting dining car and boat employees.

(b) A permit authorized by this section is conditioned upon the compliance by the holder with reasonable rules relating to the permit which the commission may prescribe from time to time.

(c) A permit issued under this section entitles its holder to work for any lawful employer. However, a person may work without an employee's permit for thirty (30) days from the date shown on a receipt for a cashier's check or money order payable to the commission for that person's employee's permit application.

(d) A person who, for a package liquor store or retail establishment, is:

- (1) the sole proprietor;
- (2) a partner, a general partner, or a limited partner in a partnership or limited partnership that owns the business establishment;
- (3) a member of a limited liability company that owns the business establishment; or
- (4) a stockholder in a corporation that owns the business establishment;

is not required to obtain an employee's permit in order to perform any of the acts listed in subsection (a).

(e) An applicant may declare on the application form that the applicant will use the employee's permit only to perform volunteer service that benefits a nonprofit organization. It is unlawful for an applicant who makes a declaration under this subsection to use an employee's permit for any purpose other than to perform volunteer service that benefits a nonprofit organization.

(f) The commission may not issue an employee's permit to an applicant while the applicant is serving a sentence for a conviction for operating while intoxicated, including any term of probation or parole.

(g) The commission may not issue an employee's permit to an applicant who has two (2) unrelated convictions for operating while intoxicated if:

- (1) the first conviction occurred less than ten (10) years before the date of the applicant's application for the permit; and
- (2) the applicant completed the sentence for the second conviction, including any term of probation or parole, less than two (2) years before the date of the applicant's application for the permit.

(h) If an applicant for an employee's permit has at least three (3) unrelated convictions for operating while intoxicated in the ten (10)





years immediately preceding the date of the applicant's application for the permit, the commission may not grant the issuance of the permit. If, in the ten (10) years immediately preceding the date of the applicant's application the applicant has:

- (1) one (1) conviction for operating while intoxicated, and the applicant is not subject to subsection (f); or
- (2) two (2) unrelated convictions for operating while intoxicated, and the applicant is not subject to subsection (f) or (g);

the commission may grant or deny the issuance of a permit.

(i) **Except as provided under section 9.5 of this chapter**, the commission shall revoke a permit issued to an employee under this section if:

- (1) the employee is convicted of a Class B misdemeanor for violating IC 7.1-5-10-15(a); or
- (2) the employee is convicted of operating while intoxicated after the issuance of the permit.

The commission may revoke a permit issued to an employee under this section for any violation of this title or the rules adopted by the commission.

SECTION 11. IC 7.1-3-18-9.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 9.5. (a) This section applies only to an employee who:**

- (1) holds an employee's permit issued under section 9 of this chapter;
- (2) is convicted of operating while intoxicated;
- (3) does not have a prior conviction for operating while intoxicated; and
- (4) was at least twenty-one (21) years of age at the time the employee committed the offense of operating while intoxicated for which the employee was convicted.

(b) The commission shall send to the most recent mailing address that the commission has on file a written notice to an employee that the employee's permit will be revoked six (6) months after the date of sentencing for the conviction of operating while intoxicated unless the employee submits to the commission, on a form prescribed by the commission, information verifying that the employee has completed an appropriate substance abuse treatment or education program that was provided by a provider certified by the division of mental health and addiction.

(c) If an employee fails to submit the information as required under subsection (b) within six (6) months from the date of the



**sentencing, the commission shall revoke the employee's permit.**

SECTION 12. IC 7.1-3-19-5, AS AMENDED BY P.L.94-2008, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. The commission shall cause one (1) notice of the pending investigation to be published in a newspaper in accordance with the provisions of IC 7.1-3-1-18. The publication of the notice shall be at least ~~fifteen (15)~~ **five (5)** days before the investigation.

SECTION 13. IC 7.1-3-20-2.5 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 2.5: (a) This section applies to each holder of a permit issued under section 2, 3, or 4 of this chapter:

(b) A permit holder may sell alcoholic beverages under the terms of the permit on any ~~twelve (12)~~ Sundays during a calendar year:

(c) Sales under this section may be made only for on-premises consumption:

SECTION 14. IC 7.1-3-20-8.6, AS AMENDED BY P.L.216-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8.6. (a) The holder of a club permit may do the following:

(1) Designate **one (1) day each calendar week** as a "guest day".  
or "guest days":

(A) ~~three (3)~~ or fewer days in a month; or

(B) ~~nine (9)~~ or fewer consecutive days in a quarter:

(2) Keep a record of all designated guest days.

(3) Invite guests who are not members of the club to attend the club on a guest day.

(4) Sell or give alcoholic beverages to guests for consumption on the permit premises on a guest day.

(5) Keep a guest book listing members and their nonmember guests, except on a designated guest day.

(b) This subsection applies to a club that furnishes alcoholic beverages on not more than two (2) days in each week. Notwithstanding subsection (a)(1), the holder of a club permit to which this subsection applies may designate ~~twenty-four (24)~~ guest days in each calendar year rather than one (1) guest day in each month:

SECTION 15. IC 7.1-3-21-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) As used in this section, "wall" means a wall of a building. The term does not include a boundary wall.

(b) Except as provided in ~~subsection~~ **subsections (c) and (g)**, the commission ~~shall~~ **may** not issue a permit for a premises if a wall of the premises is situated within two hundred (200) feet from a wall of a school or church, if no permit has been issued for the premises under



the provisions of Acts 1933, Chapter 80.

(c) This section does not apply to ~~the~~ premises ~~if~~ of a:

(1) ~~the premises of a~~ grocery store, ~~or~~ drug store, **restaurant, hotel, catering hall, or location for which the use of a supplemental catering permit has been approved** if:

(A) a wall of the premises is situated within two hundred (200) feet from a wall of a church or school;

(B) the commission receives ~~the~~ a written statement ~~of~~ from the authorized representative of the church or school stating expressly that the church or school does not object to the issuance of the permit for the premises; and

(C) the commission determines that the church or school does not object to the issuance of the permit for the premises; or

(2) ~~a~~ church or school that applies for a temporary beer or wine permit.

(d) The commission shall base its determination under subsection (c)(1)(C) solely on the written statement of the authorized representative of the church or school.

(e) If the commission does not receive the written statement of the authorized representative of the church or school, the premises of the grocery store, ~~or~~ drug store, **restaurant, hotel, catering hall, or location for which the use of a supplemental catering permit has been approved** may not obtain the waiver allowed under this ~~subsection:~~ **section.**

(f) If the commission determines that the church or school does not object, this section and IC 7.1-3-21-10 do not apply to the permit premises of the grocery store, ~~or~~ drug store, **restaurant, hotel, or catering hall** on a subsequent renewal or transfer of ownership.

**(g) If the commission:**

**(1) receives a written statement from the authorized representative of a church or school as described in subsection (c)(1)(B); and**

**(2) determines the church or school does not object as described in subsection (c)(1)(C);**

**the commission may not consider subsequent objections from the church or school to the issuance of the same permit type at the same premises location.**

SECTION 16. IC 7.1-3-21-15, AS AMENDED BY P.L.293-2013(ts), SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15. **(a) This section does not apply to an employee's permit under IC 7.1-3-18-9.**

~~(a)~~ **(b)** The commission shall not issue, renew, or transfer a



wholesaler, retailer, dealer, or other permit of any type if the applicant:

- (1) is seeking a renewal and the applicant has not paid all the property taxes under IC 6-1.1 and the innkeeper's tax under IC 6-9 that are due currently;
- (2) is seeking a transfer and the applicant has not paid all the property taxes under IC 6-1.1 and innkeeper's tax under IC 6-9 for the assessment periods during which the transferor held the permit;
- (3) is seeking a renewal or transfer and is at least thirty (30) days delinquent in remitting state gross retail taxes under IC 6-2.5 or withholding taxes required to be remitted under IC 6-3-4; or
- (4) is on the most recent tax warrant list supplied to the commission by the department of state revenue.

~~(b)~~ (c) The commission shall issue, renew, or transfer a permit that the commission denied under subsection ~~(a)~~ (b) when the appropriate one (1) of the following occurs:

- (1) The person, if seeking a renewal, provides to the commission a statement from the county treasurer of the county in which the property of the applicant was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 that were delinquent have been paid.
- (2) The person, if seeking a transfer of ownership, provides to the commission a statement from the county treasurer of the county in which the property of the transferor was assessed indicating that all the property taxes under IC 6-1.1 and, in a county where the county treasurer collects the innkeeper's tax, the innkeeper's tax under IC 6-9 have been paid for the assessment periods during which the transferor held the permit.
- (3) The person provides to the commission a statement from the commissioner of the department of state revenue indicating that the person's tax warrant has been satisfied, including any delinquency in innkeeper's tax if the state collects the innkeeper's tax for the county in which the person seeks the permit.
- (4) The commission receives a notice from the commissioner of the department of state revenue under IC 6-8.1-8-2(k).
- (5) The commission receives a notice from the commissioner of the department of state revenue stating that the state gross retail and withholding taxes described in subsection ~~(a)(3)~~ (b)(3) have been remitted to the department.

~~(c)~~ (d) An applicant may not be considered delinquent in the payment of listed taxes if the applicant has filed a proper protest under



IC 6-8.1-5-1 contesting the remittance of those taxes. The applicant shall be considered delinquent in the payment of those taxes if the applicant does not remit the taxes owed to the state department of revenue after the later of the following:

(1) The expiration of the period in which the applicant may appeal the listed tax to the tax court, in the case of an applicant who does not file a timely appeal of the listed tax.

(2) When a decision of the tax court concerning the applicant's appeal of the listed tax becomes final, in the case of an applicant who files a timely appeal of the listed tax.

(d) (e) The commission may require that an applicant for the issuance, renewal, or transfer of a wholesaler's, retailer's, or dealer's, or other permit of any type furnish proof of the payment of a listed tax (as defined by IC 6-8.1-1-1), tax warrant, or taxes imposed by IC 6-1.1.

SECTION 17. IC 7.1-5-5-10, AS AMENDED BY P.L.159-2014, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. (a) It is unlawful for a person who holds a retailer's or dealer's permit of any type to receive or accept from a manufacturer of alcoholic beverages, or from a permittee authorized to sell and deliver alcoholic beverages, a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, or lease, rehabilitation, decoration, improvement or repair of premises.

(b) A person who knowingly or intentionally violates this section commits a Class A misdemeanor. ~~However, the offense is a Level 6 felony if the value received or accepted is at least seven hundred fifty dollars (\$750).~~

SECTION 18. IC 7.1-5-7-11, AS AMENDED BY P.L.10-2010, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

- (1) Civic center.
- (2) Convention center.
- (3) Sports arena.
- (4) Bowling center.
- (5) Bona fide club.
- (6) Drug store.
- (7) Grocery store.
- (8) Boat.
- (9) Dining car.
- (10) Pullman car.



- (11) Club car.
- (12) Passenger airplane.
- (13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
- (14) Satellite facility (as defined in IC 4-31-2-20.5).
- (15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
- (16) That part of a ~~hotel or~~ restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
- (17) Entertainment complex.
- (18) Indoor golf facility.
- (19) A recreational facility such as a golf course, bowling center, or similar facility that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
- (20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.
- (21) An automobile racetrack.
- (22) An indoor theater under IC 7.1-3-20-26.
- (23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.**
- (24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.**

(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

- (1) The minor is eighteen (18) years of age or older.
- (2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.
- (3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.

SECTION 19. IC 7.1-5-7-11, AS AMENDED BY HEA 1435-2015, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:



- (1) Civic center.
  - (2) Convention center.
  - (3) Sports arena.
  - (4) Bowling center.
  - (5) Bona fide club.
  - (6) Drug store.
  - (7) Grocery store.
  - (8) Boat.
  - (9) Dining car.
  - (10) Pullman car.
  - (11) Club car.
  - (12) Passenger airplane.
  - (13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
  - (14) Satellite facility (as defined in IC 4-31-2-20.5).
  - (15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
  - (16) That part of a ~~hotel or~~ restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
  - (17) Entertainment complex-
  - (18) Indoor golf facility.
  - (19) A recreational facility such as a golf course, bowling center, or similar facility that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
  - (20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.
  - (21) An automobile racetrack.
  - (22) An indoor theater under IC 7.1-3-20-26.
  - (23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.**
  - (24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.**
  - ~~(23)~~ **(25)** The location of an allowable event to which IC 7.1-3-6.1 applies.
  - ~~(24)~~ **(26)** The location of a charity auction to which IC 7.1-3-6.2 applies.
- (b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed



premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

- (1) The minor is eighteen (18) years of age or older.
- (2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.
- (3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.

SECTION 20. IC 7.1-5-10-1, AS AMENDED BY P.L.159-2014, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) Except as provided in subsection (c), it is unlawful to sell alcoholic beverages at ~~the following times:~~

- ~~(1) At a time other than that made lawful by the provisions of IC 7.1-3-1-14.~~
- ~~(2) On Christmas Day and until 7:00 o'clock in the morning, prevailing local time, the following day.~~

(b) During the time when the sale of alcoholic beverages is unlawful, no alcoholic beverages shall be sold, dispensed, given away, or otherwise disposed of on the licensed premises and the licensed premises shall remain closed to the extent that the nature of the business carried on at the premises, as at a hotel or restaurant, permits.

(c) It is lawful for the holder of a valid beer, wine, or liquor wholesaler's permit to sell to the holder of a valid retailer's or dealer's permit at any time.

(d) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 21. IC 7.1-5-10-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 24. (a) This section does not apply to the licensed premises of a drug store, grocery store, or restaurant to which the following apply:**

**(1) A person has, as of July 1, 2015, an application on file with the commission for a:**

- (A) dealer's permit for the drug store or grocery store; and**
- (B) retailer's permit for the restaurant.**

**(2) The licensed premises of the:**

- (A) drug store or grocery store; and**
- (B) restaurant;**

**as described in the permit applications, are located in the same building.**

**(b) If:**





**(1) a person has an interest in:**  
**(A) a dealer's permit for a drug store or grocery store; and**  
**(B) a retailer's permit for a restaurant; and**  
**(2) the licensed premises of the drug store or grocery store and the restaurant are located in the same building;**  
**the licensed premises of the drug store or grocery store and the licensed premises of the restaurant must be completely separated by a wall and have separate entrances.**

SECTION 22. IC 7.1-5-10-25 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 25. If:**

**(1) a person has an interest in:**  
**(A) a dealer's permit for a drug store or grocery store; and**  
**(B) a retailer's permit for a restaurant; and**  
**(2) the licensed premises of the drug store or grocery store and the restaurant are located in the same building;**  
**beer, wine, and liquor may not be sold for carryout from the licensed premises of the restaurant.**

SECTION 23. IC 14-18-2-3, AS AMENDED BY SEA 515-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 3. (a)** As used in this section, "inn" means a public facility that has the following:

- (1) At least twenty (20) rooms for the accommodation of overnight guests.
- (2) A dining room that offers table service for at least forty (40) individuals at one (1) time during normal dining hours.
- (b) A lease and contract authorized by this chapter must include in its terms the following provisions and conditions:
  - (1) The legal description of the leasehold. A survey for the description is not required.
  - (2) The term of the lease. The term may not exceed forty (40) years with two (2) additional options to renew of thirty (30) years each.
  - (3) Provision for the submission of complete plans and specifications to the department for review and written approval before beginning any construction.
  - (4) The manner of payment of rental.
  - (5) The facilities provided will be available to the public without discrimination and at charges designed to make the facilities available to a maximum number of the citizens of Indiana.
  - (6) That the rates and fees charged for goods and services on the leased area will be in accord with those charged at similar



developments in the area.

(7) The disposition of the leasehold and improvements at the termination of the lease.

(8) Except as provided in subsections (c) and (e), if the lease and contract concerns state owned land under the management and control of the department, including state parks, a prohibition on the sale or public display of alcoholic beverages on the premises.

(c) A lease and contract authorized by this chapter may permit in its terms the retail sale of alcoholic beverages for consumption on the licensed premises of an inn if the lessee or concessionaire applies for and secures the necessary permits required by IC 7.1.

(d) A lease and contract authorized by this chapter may permit in its terms the retail sale of alcoholic beverages for consumption on the licensed premises of a public golf course if:

- (1) the lease and contract concerns federally owned land that is:
  - (A) under the control and management of the department; and
  - (B) located on Brookville Reservoir; and
- (2) the lessee or concessionaire applies for and secures the necessary permits required by IC 7.1.

(e) A lease and contract authorized by this chapter may permit in its terms the retail sale of alcoholic beverages for consumption on the licensed premises of:

**(1) a pavilion located within Indiana Dunes State Park, and within one hundred (100) feet of the pavilion and the pavilion parking lot; or**

**(2) a marina located:**

**(A) within the Newton-Stewart State Recreational Area; and**

**(B) within Orange County;**

if the lessee or concessionaire applies for and secures the necessary permits required by IC 7.1.

(f) The retail sale of alcoholic beverages on licensed premises described in subsections (c), (d), and (e) is subject to any other applicable alcoholic beverage provisions under the Indiana Code and any rule adopted to implement any other applicable alcoholic beverage provisions under the Indiana Code.

(g) A lease and contract may prescribe other terms and conditions that the department considers necessary and advisable to carry out the intent and purposes of this chapter.

**SECTION 24. [EFFECTIVE UPON PASSAGE] (a) 905 IAC 1-47-2(3) is void. The publisher of the Indiana Administrative Code and Indiana Register shall remove this provision from the**



**Indiana Administrative Code.**

**(b) This SECTION expires July 1, 2016.**

**SECTION 25. An emergency is declared for this act.**



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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

**HEA 1542 — CC 1**

